

# Transportation Value Pricing Options and Implementations in the US<sup>1</sup>

## **CONVERTING HIGH-OCCUPANCY VEHICLE (HOV) LANES TO HIGH-OCCUPANCY TOLL (HOT) LANES**

"HOT" is the acronym for "High Occupancy/Toll". On HOT lanes, low-occupancy vehicles are charged a toll, while High-Occupancy Vehicles (HOVs) are allowed to use the lanes for free or at a discounted toll rate. HOT lanes create an additional category of eligibility for travelers wanting to use HOV lanes, since drivers can be eligible to use the facility either by meeting its minimum passenger requirement, or by choosing to pay a toll to gain access to the HOV lane. Under SAFTEA-LU, HOV to HOT conversions were mainstreamed. This project type will now be implemented under 23 U.S.C. 166.

- CALIFORNIA: HOT Lanes on I-15 in San Diego
- CALIFORNIA: I-680 SMART Carpool Lanes in Alameda County
- CALIFORNIA: HOT Lanes on I-880 in Alameda County
- COLORADO: HOT Lanes on I-25/US 36 in Denver
- FLORIDA: HOT Lanes on I-95 in Miami-Dade County
- MINNESOTA: HOT Lanes on I-394 in Minneapolis
- TEXAS: HOT Lanes on I-10 and US 290 in Houston
- WASHINGTON: HOT Lanes on SR 167 in the Puget Sound Region

## **CORDON TOLLS**

Cordon tolls are fees paid by motorists to drive in a particular area, usually a city center. Some cordon tolls only apply during peak periods, such as weekdays. This can be done by simply requiring vehicles driven within the area to display a pass, or by tolling at each entrance to the area.

- CALIFORNIA: Area Road Charging and Parking Pricing in San Francisco
- FLORIDA: Cordon Pricing in Lee County

## **FAIR LANES**

"FAIR" lanes stands for "Fast and Intertwined Regular" lanes. Multiple freeway lanes are separated, typically using plastic pylons and striping, into two sections: "fast" lanes and "regular" lanes. The fast lanes would be electronically tolled express lanes, where tolls could change dynamically to manage demand. In the remaining unpriced lanes, drivers whose vehicles were equipped with transponders would be compensated with credits that would be based on the tolls in effect at the time they traveled, and would be established at a percentage of the toll rate.

- CALIFORNIA: FAIR Lanes with Dynamic Ridesharing in Alameda County

## **PRICING ON EXISTING LANES**

- MINNESOTA: Priced Dynamic Shoulder Lanes

Converting narrow bus-only shoulder lanes along the Interstate to wider priced dynamic shoulder lanes (PDSLs), and moving these lanes from the right-most to the left-most portion of the roadway to minimize conflict with entering vehicles.

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<sup>1</sup> Information culled from the FHWA Value Pricing Project Quarterly Reports – January through March 2008, [http://ops.fhwa.dot.gov/tolling\\_pricing/value\\_pricing/pubs\\_reports/quarterlyreport/qrt1rpt08/index.htm](http://ops.fhwa.dot.gov/tolling_pricing/value_pricing/pubs_reports/quarterlyreport/qrt1rpt08/index.htm)

- WASHINGTON: Proposed Variable Priced Tolls on SR 520 in Seattle  
Introduce new tolls on SR-520, setting toll rates on the facility based upon demand so as to avoid the build up of congestion and the loss of roadway capacity when it is most needed. Toll rates will be communicated in real-time, and revenues from tolling will be used to help finance the bridge replacement.

### **PRICED NEW LANES**

Priced new express lanes involve tolls on added lanes that vary by time-of-day and are collected at highway speeds using electronic toll collection technology. Tolls may be set "dynamically," i.e., they may be increased or decreased every few minutes to manage demand so as to ensure that the lanes are fully utilized, yet remain uncongested.

- CALIFORNIA: Express Lanes on State Route 91 in Orange County
- CALIFORNIA: I-15 Managed Lanes in San Diego
- CALIFORNIA: Dynamic Pricing on SR 91 in Orange County
- CALIFORNIA: Violation Enforcement System on I-15 Managed Lanes in San Diego
- CALIFORNIA: HOT Lanes on State Route 1 in Santa Cruz County
- COLORADO: Express Toll Lanes on C-470 in Denver
- FLORIDA: Priced Queue Jumps in Lee County
- FLORIDA: I-95 Priced Managed Lanes in Miami-Fort Lauderdale Region
- GEORGIA: Express Toll Lanes on I-75 in Atlanta
- GEORGIA: I-75 South HOT/Truck-Only Toll (TOT) Study in Atlanta
- MARYLAND: Express Toll Lanes on Section 100 of the I-95/JFK Expressway in Baltimore
- MARYLAND: Express Toll Lanes on Section 200 of the I-95/JFK Expressway in Baltimore
- NORTH CAROLINA: HOT Lanes on I-40 in Raleigh/Piedmont Triad
- OREGON: Express Toll Lanes on Highway 217 in Portland
- TEXAS: Value Priced Express Lanes on I-10 in San Antonio
- TEXAS: HOT Lane Enforcement and Operations on Loop 1 in Austin
- TEXAS: Express Toll Lanes on the LBJ Freeway in Dallas
- TEXAS: HOT Lanes on the Katy Freeway in Houston
- TEXAS: Express Toll Lanes on I-30/Tom Landry in Dallas
- TEXAS: Express Toll Lanes on I-35 in San Antonio

### **PRICING ON TOLL FACILITIES**

Pricing on toll facilities involve tolls on congested toll facilities that are varied by time of day with the intention of encouraging some travelers to use the roadway during less congested periods, to shift to another mode of transportation, or to change routes. With less people traveling during congested periods, the remaining peak period travelers will have decreased delays. To be eligible for the variable toll programs, vehicles must be equipped with transponders, which are read by overhead antennas.

- CALIFORNIA: Peak Pricing on the San Joaquin Hills Toll Road in Orange County
- FLORIDA: Pricing on Bridges in Lee County
- FLORIDA: Value Pricing on the Sanibel Bridge and Causeway in Lee County
- FLORIDA: Variable Tolls on the Sawgrass Expressway in Broward County
- FLORIDA: Variable Tolls for Heavy Vehicles in Lee County
- FLORIDA: Pricing Options on the Florida Turnpike in Miami-Dade County
- GEORGIA: Variable Pricing Institutional Study for the GA-400 in Atlanta
- ILLINOIS: Illinois Tollway Value Pricing Pilot Study
- NEW JERSEY: Variable Tolls on the New Jersey Turnpike
- NEW JERSEY: Variable Tolls on Port Authority Interstate Crossings
- NEW JERSEY: Express Bus/HOT Lane Study for the Lincoln Tunnel
- NEW JERSEY: Upgrade of Electronic Toll Collection Technology in New York
- PENNSYLVANIA: Variable Tolls on the Pennsylvania Turnpike
- TEXAS: Truck Traffic Diversion Using Variable Tolls in Austin

## **USAGE-BASED VEHICLE CHARGES**

Usage-based vehicle charges include mileage-based charges for insurance, taxes, or leasing fees; and car sharing; Pay-As-You-Drive (PAYD) Automotive Insurance is a usage-based charge that converts automotive insurance from a fixed to a per mile cost, providing a financial incentive to drive less.

- CALIFORNIA: Car Sharing in the City of San Francisco
- FLORIDA: Dynamically Priced Carsharing in Tampa
- GEORGIA: Simulation of Pricing on Atlanta's Interstate System
- MINNESOTA: Variabilization of Fixed Auto Costs
- MINNESOTA: Mileage-Based User Fee Regional Outreach Statewide
- OREGON: Mileage-Based Road User Fee Evaluation
- WASHINGTON: Global Positioning System (GPS) Based Pricing in the Puget Sound Region. (Study completed by PSRC)
- WASHINGTON: Pay-As-You-Drive (PAYD) Insurance in Seattle, fall 2008

## **"CASH-OUT" STRATEGIES/PARKING PRICING**

Parking Cash-Out is a strategy that involves employers offering their employees the option of receiving taxable cash in lieu of free or subsidized parking provided by the employer. Employees may deny the cash and keep the tax-free parking subsidy or accept tax-free transit or vanpooling benefits in its place-with any balance in taxable cash. Car cash-out involves paying households to use one less car for a certain period of time. It helps people review their transportation choices and see how travel by foot, bicycle, transit, and ridesharing is competitive with the private automobile. The goal is to show people that they can save money and simplify their lives by not owning a second - or even first - car.

- CALIFORNIA: Car Share Innovations in the City of San Francisco
- CALIFORNIA: Smart Parking Initiative in San Diego
- MINNESOTA: Parking Pricing Demonstration in the Twin Cities Area
- WASHINGTON: Parking Cash-Out and Pricing in King County
- WASHINGTON: Cash-Out of Cars in King County

## **REGIONAL PRICING INITIATIVES**

Road pricing strategies that include comprehensive area - or region-wide applications that evaluate pricing's effect on reducing congestion, altering travel behavior, and encouraging the use of other transportation modes. Region-wide pricing applications that use technologies that provide drivers with real-time congestion and pricing information on alternative routes are especially encouraged.

- CALIFORNIA: Investigation of Pricing Strategies in Santa Clara Valley
- FLORIDA: Sharing of Technology on Pricing
- ILLINOIS: Comprehensive Pricing in Northeast Illinois
- MARYLAND: Feasibility of Value Pricing
- MINNESOTA: FAST Miles in the Twin Cities
- MINNESOTA: Project Development Outreach and Education
- TEXAS: Regional Value Pricing Feasibility Study in Dallas
- TEXAS: HOT Lane Network Evaluation in Houston
- VIRGINIA: Regional Network of Value Priced Lanes
- VIRGINIA: Value Pricing for the Hampton Roads Region
- WASHINGTON: Tolling Strategies in the Seattle Area

## **TRUCK ONLY TOLL FACILITIES**

Truck only toll (TOT) lanes are highway lanes that are reserved for the use of commercial vehicles, primarily trucks and buses. Commercial vehicles can pay a fee to use the lanes if so desired, or they can continue to use the regular lanes. Further, fees are only charged when

necessary to manage the performance of the lanes. TOT lanes can either be newly constructed facilities, or they can be created by reallocating the use of existing lanes. Similar in concept to HOT lanes, the pricing strategy for TOT lanes corresponds to a cost per mile that will keep the TOT lanes performing at a level of service that provides more reliable travel.

- CALIFORNIA: Analysis of Environmental Effects of PierPASS and Dedicated Truck Lanes in Southern California
- GEORGIA: Northwest Truck Tollway